

SM-204-G

October 20, 1993

To All Division/Military Managers

SUBJECT: Military DORAL Couponing Promotion

Due to on-going competitive pressures in the savings segment in commissaries and exchanges on such brands as Basic, Montclair, Misty, Viceroy and G.P.C., the decision has been made to defend DORAL by authorizing \$1.00 DORAL couponing for the military class of trade only.

Guidelines

- Promotion Dates: October 27 - Until Further Notice
- Coupon Amounts: \$1.00 SAVINGS multi-brand coupon value only.
 - Order coupon needs from SMS in the normal manner Comm. #382362 SAVINGS 93 MB OCC \$1.00. Please utilize existing inventories of \$1.00 coupons prior to ordering.
- SIS Screen: M DOR \$1 CPN H-H Date: October 27, 1993
 - These coupons should not be applied until October 27, 1993.
- Implementation: Competitive activity may not be impacting DORAL's sales in all instances. Judgment should be used in placing coupons on DORAL based on competitive activity, erosion of DORAL sales, peak buying periods (pay days, holidays, etc.) and necessary stock levels needed to support this program. Couponing may not be necessary on all brand styles all the time.

This program is being authorized to protect/defend DORAL's position in this class of trade only. Please do not discuss this promotion with military store personnel until securing orders prior to our October 27, 1993 start date. Likewise, do not start applying coupons until October 27, 1993

Special Note: Navy Exchange - DORAL end cap display "test"

Those divisions involved in the DORAL end cap display test should continue to coupon DORAL on end cap displays throughout this promotion. Begin placing coupons on DORAL product on carton merchandisers October 27, 1993.

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R. J. REYNOLDS TOBACCO COMPANY

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